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SUBJECT: REGIONAL POLITICAL PARTIES INCITE LABOR UNREST AT AMERICAN  
AND INDIAN COMPANIES FOR POLITICAL GAIN

REF: A. A: 2009 MUMBAI 364

[B](#). B: 2009 MUMBAI 147

[C](#). C: 2009 MUMBAI 369

[1](#). (SBU) SUMMARY: As the Maharashtra state elections approach, two regional parties, the Shiv Sena and the Maharashtra Navnirman Sena (MNS), have incited or exacerbated labor disputes as a way to gain political leverage - and extract funds - from an American and Indian company. The two parties thrive on media attention and have been involved in violent campaigns and street-level political stunts in the past. The latest events may be an attempt by the opportunistic parties to make political capital ahead of an increasingly competitive state election next month. End Summary.

[2](#). (U) Dial 1298 for Ambulance is Mumbai's premier ambulance service. (Note: Dial 1298 provides free ambulance services for Mumbai's poor, charging those who can pay to subsidize this service. They were among the first responders during the November 2008 terrorist attacks in Mumbai, and Dial 1298 is the consulate's preferred ambulance provider for its employees. End Note.) The labor troubles began in early September when workers, backed by an MNS union, demanded pay increases, holiday bonuses and shorter shift work, according to media reports. 1298 management told Congenoffs that the company had agreed to these demands, but MNS members disrupted labor discussions on September 6 by barging into a meeting at 1298 offices, threatening and abusing managers. This led to the managers terminating the two drivers who allowed MNS members entry into the labor discussion meeting. On September 12, the ambulance workers went on strike, protesting against the firing of their colleagues. The ambulance service has yet to resume.

[3](#). (U) The Shiv Sena has been involved in labor disputes at Cummins India's Pune plant since early 2009. Following their traditional tried-and-tested campaign theme of promoting the employment of native Maharashtrians (Ref B), and protesting the hiring of non-Maharashtran workers from other parts of India, the Shiv Sena charged that Cummins India does not recruit Maharashtrians. Cummins rebuffed this assertion, claiming that that 90 percent of their workforce is Maharashtran.

[4](#). (U) On September 13, about 900 Cummins employees went on strike, influenced by Shiv Sena members, according to the company management. The workers were protesting the dismissal of six colleagues on disciplinary grounds, as well as the loss of pay due to wage settlement earlier this year. Factory officials and two U.S. citizens were stranded inside the plant while the protests were going on. Local police later escorted the U.S. citizens to their hotels without incident. (Note:

ConGen Mumbai RSO was in contact with the police during this time. End note.) The Consul General has contacted the Labor Minister to express concern about the safety of US citizens and the mistreatment of a U.S. company. The factory remained closed as of September 24 and negotiations are ongoing. Cummins management blames the Shiv Sena for turning employees against the company and interfering in internal labor disputes.

15. (SBU) COMMENT: In the run-up to these highly competitive state elections, the Shiv Sena and the MNS are trying to gain political mileage from inciting, or exacerbating, labor disputes. While these labor disputes may have begun with legitimate grievances, these two parties have escalated the conflicts and garnered media coverage - and possibly votes - from their actions. In most cases, companies will pay off the parties to end their dispute or quiet troublemakers, a difficult option for most American companies. As with the attempts by the Bharatiya Janata Party and the Sena's attempt to stoke communal violence earlier this month (Ref C), we are likely to see further efforts to polarize voters, create political theater, and attract voters as the elections campaigns heat up. End Comment.

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